



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 17, 1997

Peter Weinstock, Esq.
Jenkins & Gilchrist
Fountain Place
1445 Ross Avenue, Suite 3200
Dallas, Texas 75202

Dear Mr. Weinstock:

This is in response to the request by Mr. Yuk Chow Mok for relief from commitments relied on by the Board in its approval of the application by First International Bancorp Texas, Inc. ("First International"), to acquire all the voting shares of First International Bank ("Bank"), both of Bedford, Texas, and thereby become a bank holding company. See First International Bancorp. Texas, Inc., 81 Federal Reserve Bulletin 156 (1995). Mr. Mok has requested relief from the three commitments set forth in Part A of the Appendix to this letter.^{1/} Mr. Mok also has requested that the Board review the other commitments provided by Mr. Mok to determine if any such commitments may be terminated or modified at this time.

In connection with the formation of First International, Mr. Mok acquired 66.7 percent of the voting shares of First International. Because Mr. Mok is a citizen of Macau, Republic of Portugal, Mr. Mok provided the Board with a number of commitments that are designed to provide the Board with access to information regarding Mr. Mok and other entities controlled by Mr. Mok; to assure the safe and sound operation of First International and Bank, including their compliance with sections 23A and 23B of the Federal Reserve Act and the Board's Regulation O; and to permit the Board to monitor any transfer of the equity or debt of First International or Bank. Mr. Mok contends that he should be relieved from the commitments that he provided

^{1/} Mr. Mok also committed to provide the Board and the Federal Reserve Bank of Dallas, no later than the date of consummation of the proposal, a copy of the information required to be maintained by Bank pursuant to 215.8 of the Board's Regulation O (12 C.F.R. 215.8). Mr. Mok has fully complied with this commitment and, therefore, relief from this commitment is not necessary.

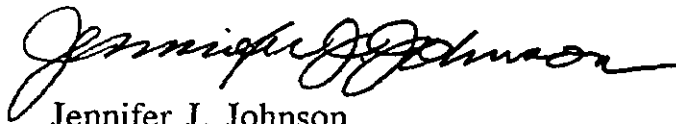
because he is not able to control the daily operations of First International or Bank, or the transfer of the securities of First International or Bank not held by him.

Since the formation of First International in 1994, the Federal Reserve System has gained significant supervisory experience with Mr. Mok, First International, and Bank.^{2/} Based on this experience, and all other facts of record, including reports of examination assessing the managerial and financial resources of First International and Bank, the Director of the Division of Banking Supervision and Regulation ("Director"), acting pursuant to authority delegated by the Board (12 C.F.R. 265.7(a)(2)), has approved Mr. Mok's request for relief from the commitments set forth in Part A of the Appendix.

In addition, after reviewing the other commitments made by Mr. Mok, the Director has determined to grant Mr. Mok's request for termination of the commitment set forth in Part B of the Appendix. Extensions of credit by Bank to Mr. Mok or his related interests remain subject to section 23A and section 23B of the Federal Reserve Act and the Board's Regulation O (12 C.F.R. 215.1 et seq.).

These actions are based on the representations set forth in Mr. Mok's request, and do not constitute relief from any other commitments made by Mr. Mok. Furthermore, these actions do not relieve Mr. Mok, First International, or any other person from obtaining the Board's approval prior to any transfer of First International securities subject to the Bank Holding Company Act or the Change in Bank Control Act.

Very truly yours,



Jennifer J. Johnson
Deputy Secretary of the Board

cc: Federal Reserve Bank of Dallas

^{2/} Mr. Mok has controlled Bank, a state non-member bank, since 1991. In connection with this relief request, Board staff contacted the staff of the Federal Deposit Insurance Corporation, Bank's primary federal supervisor.

APPENDIX

Part A

1. Yuk Chow Mok agrees that First International and Banks will not incur additional debt (other than small amounts incurred in the ordinary course of business) to any third party without the prior approval of the Board or its staff. For purposes of this Commitment, debt shall not be deemed to include deposit-taking activities of Banks.

2. Yuk Chow Mok agrees that none of the capital stock or debt of First International or Banks will be transferred or pledged to any party without the prior approval of the Board or its staff.

3. Yuk Chow Mok agrees that Banks will not engage directly in the international transfer, remittance, or payment of customer or bank funds except in compliance with safe and sound formally adopted internal control procedures and operational safeguards, which shall include in all cases written documentation of all relevant information concerning each such transfer, remittance and payment, as adopted as a policy of Banks and in compliance with all laws, regulations, orders, and directives applicable to Banks and their officers, directors and affiliates.

Part B

Notwithstanding [the other commitments provided by Mr. Mok], Yuk Chow Mok and the Mok Controlled Companies agree that neither First International nor Banks will make any extension of credit, either directly or indirectly, to Yuk Chow Mok or a member of his immediate family, to any Mok Controlled Company, or to any company owned by Yuk Chow Mok, or to any Company owned, individually or collectively, by the shareholders of First International. First International and Banks may make extensions of credit to any Company, other than a Mok Controlled Company, in which the shareholders of First International collectively own less than 5 percent of the outstanding shares of any class of voting securities or 5 percent of the total equity of the Company and there are no other indicia of control by these individuals over the Company. For purposes of this Commitment, no extension of credit to any company that is not a Mok Controlled Company, but in which the shareholders of First International collectively own 5 percent or more of the outstanding shares of any class of voting securities or 5 percent or more of the total equity of said Company, shall be made unless such extension of credit has first been approved by the Federal Reserve System.